

INFORMATION REPORT

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COUNTRY Hungary

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SUBJECT The MAVAG Iron & Steel Factory at Diosgyör

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1. In accordance with the instructions of Secretary General of the Supreme Economic Committee, Zoltan Vas, a complete decentralization of the Diosgyör Iron and Steel Plant has been carried out. Today, the various workshops and sections (i.e. the blast furnaces, Siemens-Martin steel plant, electro-steel plant, rolling mill, foundry, forge, etc.) form almost independent plants, each with its own director. As a result of this decentralization, not even the directors of the individual plants have access to information concerning the other plants. Soviet experts are permanently attached to all the main plants as advisers.
2. The Iron and Steel Plant employs 12,000 workers and about 1,000 office employees. (In the period 1939 to 1941, the number of workers was about 7-8,000.) The plant works a seven-day week with three 8-hour shifts daily. The wages of an ordinary worker are 7-800 forint per month; those of a smelter working on a Martin furnace, up to 1,300 forint per month; an engineer starts at a wage of 600 forint per month; a Deputy Director General receives 2,700 forint per month. The head of the Inspection Department, Engineer Kővessi, and the head of the Electrical Installations, Engineer Jaszai, were arrested. Nothing has been heard of them.
Blast Furnaces
 3. Extensive alterations are being carried out at top speed throughout the plant. A third blast furnace, with a capacity of 200 tons per day, is under construction.
The Siemens-Martin Steel Plant
 4. The Siemens-Martin steel plant is being entirely rebuilt. When completed it will have two 40-ton and six 80-ton furnaces, and a 200-ton mixer. Some of the new furnaces are finished and in operation. The present mixer in operation has a capacity of only about 120 tons. The Hungarian Trade Mission in Frankfurt am Main made inquiries concerning a 200-ton mixer of the Hoersch A.G. in Dortmund. As of September 1950, Hoersch had not replied to this inquiry.
 5. The average production of the Siemens-Martin steel plant is 25,000 tons (ingot) per month. In March 1950, it reached the record figure of 30,000 tons. (In 1939-41 the monthly production was about 17,000 tons).

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CENTRAL INTELLIGENCE AGENCY

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The Electro-Steel Plant

6. The present production of electro-steel varies between 2,500 and 2,800 tons per month. It is planned to increase the production at Diosgyör to 50,000 tons per year by the end of 1950 and, for the whole of Hungary, to 80,000 tons per year (the figure envisaged under the Five-Year Plan).

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The Rolling Mill

8. Heavy-plate rolling in Hungary is now concentrated at the Liptak Works in Kispest (a suburb of Budapest), and the heavy-plate rolling mill in Diosgyör has been transferred there. Only the rolling of medium and fine plate has been retained at Diosgyör. The rolling-mill capacity at Diosgyör is 20,000 tons per month. (In 1939-41, it was about 10-12,000 tons).

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The Power Plant

10. The extension of the power plant at Diosgyör is planned as the present supply of power is inadequate.

The Gun Factory

11. The Gun Factory attached to Diosgyör is fully equipped with machinery, and is working at full capacity.

Machine Tool Requirements

12. The Diosgyör Iron and Steel Plant is at present trying to obtain four roll lathes and two roller spindle grinders. Bids for those have recently been received

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